

**ATTACHMENT I  
STANDARD PROVISIONS**

**MASSACHUSETTS DEPARTMENT OF TRANSPORTATION**

**OFFICE OF TRANSPORTATION PLANNING**

**ARTICLE I: GENERAL PROVISIONS**

**1. DEFINITIONS**

The following words as used herein, heretofore, and hereinafter shall mean:

**CONSULTANT**....The party of the second part to this Contract, acting directly or through an authorized lawful agent or employee.

**COMMONWEALTH**....The Commonwealth of Massachusetts

**DEPARTMENT**....The Massachusetts Department of Transportation of the Commonwealth of Massachusetts.

**DIRECTOR**....The Executive Director of the Office of Transportation Planning acting directly or through an authorized representative, such representative acting within the scope of the particular duties entrusted to him/her.

**MASSACHUSETTS DEPARTMENT OF TRANSPORTATION OR "MassDOT"**....The Department of Transportation of the Commonwealth of Massachusetts.

**FEDERAL HIGHWAY ADMINISTRATION OR "FHWA"**....The Federal Highway Administration of the United States Department of Transportation.

**FEDERAL TRANSIT ADMINISTRATION or "FTA"** ... The Federal Transit Administration of the United States Department of Transportation.

**PROJECT**....All work described in the Scope of Services (Scope of Work) contained in Attachment A.

**SPECIFICATIONS**....The directions, provisions and requirements comprising the Terms and Conditions, the Standard Contract, Standard Provisions and the Special Provisions.

**SPECIAL PROVISIONS**....The special directions, provisions and requirements prepared to cover proposed work not expressly provided for in these specifications. The Special Provisions shall be included within the general term "Specifications" and shall be made a part of the contract with the expressed understanding that in the event of conflict, they shall prevail over all other specifications of the contract.

**STANDARD CONTRACT**...Commonwealth of Massachusetts Standard Contract

**STANDARD SPECIFICATIONS**....Most recent Massachusetts Department of Transportation Standard Specification for Highways and Bridges

**TERMS AND CONDITIONS....Commonwealth Terms and Conditions****2. TIME SCHEDULE**

The Consultant shall begin performance of the services designated in the contract promptly and shall complete the services without delay. All work shall be performed by the Consultant in accordance with the time schedule as shown in the Standard Contract and/or in the SPECIAL PROVISIONS, if applicable.

Should circumstances occur, which are beyond the control of the Consultant, such as an increase in the scope of work, revisions to approved work, or a change in the conditions under which the work is to be performed, the specified estimated completion date may be extended. If the extension of time is more than one year beyond the originally specified time-period, the contract fee may be renegotiated. Four months prior to reaching the completion date for the Contract, it shall be the Consultant's responsibility to notify the Department in writing if the completion date cannot be met. The Consultant shall state the reason why that date cannot be met and request a revised date for consideration. If the Department determines that an extension of time is warranted, both parties shall agree to a new completion date. Any adjustment to the contract fee attributed to escalated salaries and/or other costs resulting from the extended time shall only apply to costs incurred beyond the one-year addition to the original completion date. Also, the Consultant is made aware that no compensation will be paid for services that are rendered either prior to the date of the Notice to Proceed or beyond the duration specified in the Contract, unless an extension of time is granted.

**3. TERMINATION**

Upon receipt of written notification from the Department that this Contract, or any part thereof, is to be terminated, the Consultant shall immediately cease operations on the work stipulated, and assemble all material that has been prepared, developed, furnished or obtained under the terms of this Contract that may be in its possession or custody, and shall transmit the same to the Department on or before the fifteenth day following the receipt of the above written notice of termination, together with an evaluation of the cost of the work performed, unless otherwise provided for in the SPECIAL PROVISIONS. The Consultant shall be entitled to just and equitable payment in accordance with ARTICLE II, Section D for any uncompensated work satisfactorily performed prior to such notice.

The Department shall determine the amount of acceptable work performed by the Consultant under this Contract. The Department's evaluation shall be used as a basis to determine the amount of compensation due for this work, provided it shall be made in good faith and supported by substantial evidence. In determining the value of the work performed by the Consultant prior to termination, no consideration will be given to profit, which the Consultant might have reasonably expected to make on the uncompleted portion of the work.

**4. STANDARD SPECIFICATIONS**

The Consultant agrees to perform the work required under this contract under strict conformity with the provisions of the Department's current Standard Specifications for Highways and Bridges and amendments thereto insofar as said provisions are applicable to this contract, said Standard Specifications and amendments being specifically made a part of this contract as fully and to the same effect as if the same had been set forth at length herein, except herein otherwise provided.

**5. DESIGN STANDARDS** not applicable**6. STAFFING OF OFFICE AND INSPECTION OF WORK**

The Consultant shall maintain an office located within the confines of the Commonwealth of Massachusetts. Such office shall be staffed with professional personnel adequate in number, training and experience to perform the work required under this contract.

Prior to the beginning of work, the Consultant shall submit the names, resumes, titles and salary rates of all personnel to be assigned to the work. Any subsequent increase in salary rates shall require the written approval of the Executive Director. In addition, education and experience records of supervisory personnel who will actively participate in the work shall be submitted. If, at any time during the term of this contract, any supervisory position is vacated, notice shall be immediately sent to the Executive Director as to the person vacating the position and the name, title, education, experience record and rate of pay of the person who will fill the vacancy. Prior written approval of the Executive Director for the change in supervisory personnel must be received by the Consultant. It is understood that authorized representatives of the Massachusetts DEPARTMENT OF TRANSPORTATION/Office of Transportation Planning and the United States Department of Transportation, Federal Highway Administration/Federal Transit Administration may inspect or review the Consultant's work in progress during normal working hours. Plans and documents, including those in the formative stage, shall be readily available in the Consultant's Massachusetts Office at all times during normal working hours. It is agreed that any or all portions of the work performed by the Consultant may be reviewed by other Consultants retained by the Department for this purpose.

**7. LODGING, ETC.**

Every person employed in the work covered by this Contract shall lodge, board or trade where and with whom he/she elects, and neither the Consultant nor its agents or employees shall directly or indirectly require as a condition of employment therein that an employee shall lodge, board or trade at a particular place or with a particular person.

**8. AVAILABLE DATA AND MATERIALS**

All data applicable to this project in possession of the Department shall be made available to the Consultant by the Department. When appropriate, the Department shall furnish to the Consultant forms, cross section paper and other material for the preparation of plans, profiles, cross sections, etc. if such materials are standard only with the Department and cannot be obtained elsewhere.

**9. HEARINGS & MEETINGS**

The Department shall make all arrangements for and hold all necessary official public hearings in connection with the project. Public meetings to obtain citizen participation in the planning and design of the project may be arranged by the Department or by the Consultant under the direction of the Executive Director. The Consultant shall not, at any time, make any commitments or give any information regarding projects being planned by the Department without prior approval of the Executive Director. The Consultant shall, when requested by the Executive Director, render such assistance as necessary, including preparation and explanation of materials, at or for any hearing, meeting or conference held by the Department.

## **10. AGREEMENTS**

The Department shall negotiate and prepare all necessary agreements with railroads, public utilities, municipalities, agencies of the United States Government or others. The Consultant shall prepare the plans, sketches and other data necessary in connection with these agreements and assist the Executive Director, if requested, at conferences related to such agreements.

## **11. APPEARANCE AS WITNESS**

If and when required by the Department, the Consultant shall prepare for and appear in any litigation concerning this project on behalf of the Commonwealth, and shall be paid actual salary and overhead costs with no profit allowance for this services and shall be reimbursed for any expenses incurred in relation thereto. These services and expenses shall not be considered as covered by the total of the fees stipulated in this contract.

## **12. REPORTS OF MEETINGS**

The Consultant shall keep a record indicating the subject and substance of all formal meetings with the members of the Department as well as with representatives of other State and Federal agencies, municipalities, private organizations and the general public, at which it is in attendance. Meeting reports shall be prepared and submitted to the Executive Director describing the subject matter discussed at each meeting, and subsequent reports shall be submitted as to actions taken as a result of recommendations presented.

## **13. CONTRACT PROPOSALS:** Not applicable

## **14. APPROVAL OF CONTRACT PLANS:** Not applicable

## **15. REVISIONS**

Should the Department require additional work or revisions to the Consultant's work product beyond that which is to be delivered in accordance with the Scope of Work outlined in Attachment A of this contract, additional compensation may be negotiated in accordance with Article II section 3.

No compensation will be made under this section for work that the Consultant has completed and for which approval has not been given, or for revisions caused by errors, omissions, oversight or neglect on the part of the Consultant.

## **16. PUBLICATION OF PLANS**

No copies of data or plans, including material in the formative stage are to be released by the Consultant to any other person or agency, except after prior approval of the Department. All press releases including plans and information to be published in newspapers, magazines, and other news media are to be through Department sources only.

## **17. EMPLOYMENT OF DEPARTMENT PERSONNEL**

The employment by the Consultant of personnel on the payroll of the of Massachusetts Department of Transportation shall not be permitted in the execution of this Contract, even though such employment may be outside of the employee's regular working hours or on Saturdays, holidays or vacation time. The Consultant is presumed to have a sufficient and competent organization to do the work required.

## **18. WARRANTY**

The Consultant warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Consultant, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the Department shall have the right to annul this Contract without liability, or, in its discretion, to deduct from the Contract price or consideration without liability, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

## **19. SUBCONTRACTING**

The Consultant shall perform with its own organization not less than fifty (50) percent of the contract fee, except that any items designated in the contract as "Specialty Items" may be performed by subcontract.

If the complexity and nature of the project are such as to require highly specialized professional or expert assistance, services or advice in connection with special phases of the work which normally are not the type performed directly by the Consultant, such services may be obtained, provided that prior written approval is received from the Department, and, in the case of Federal-Aid Projects, both the Department and the FHWA or FTA.

The Consultant warrants that its contracts with subcontractors shall bind each subcontractor to all provisions of this contract to the extent that the regulations, rights and interests of the Department and the Federal Highway Administration/Federal Transit Administration may be effected; and the Consultant accepts legal and financial responsibility for any failures to so protect and enforce the regulations, rights and interests of the Department and the Federal Highway Administration/Federal Transit Administration.

The Department reserves the right to approve any changes in subcontractors or changes in the

amounts or rates of cost reimbursement to any subcontractor. The employment of other firms or individuals for supplemental specialized services, such as soil testing and ground or aerial survey work included in the predetermined fee, shall not require approval of the Federal Highway Administration/Federal Transit Administration or the Board of Commissioners, but prior written approval shall be obtained from the Executive Director.

Requests for approval of work to be subcontracted shall include a clear description of the work to be performed, capabilities of the subcontractor to perform such work, breakdown of costs and man hours, method of payment and maximum amount to be paid. Any subcontract which exceeds \$50,000 in cost shall contain all the contractual provisions which are contained in contracts for prime consultants, including insurance certificates and pre-award audit data. For subcontracts whose costs are between \$25,000 and \$50,000, the Department may, at its discretion, require that the aforementioned provisions be included. The aforementioned provisions are not required for subcontracts that are less than \$25,000 in costs.

## **20. NON-DISCRIMINATION IN EMPLOYMENT AND AFFIRMATIVE ACTION**

During the performance of this contract, the Consultant, for itself, its assignees and successors in interest, shall comply with the regulations of the United States Department of Transportation relative to nondiscrimination in Federally assisted programs of the Department of Transportation (Title 49, CFR, Part 21, hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

The Consultant shall comply with all provisions of the "Required Contract Provision for Equal Opportunity, the Special Provision for Specific Equal Opportunity Responsibilities" and the "Disadvantaged Business Enterprise Provision" which are included herein and made a part of this Contract.

## **21. NOTICE**

Unless otherwise specified, any notice hereunder shall be in writing and shall be deemed delivered when given in person to either party or deposited in the U.S. mail, postage prepaid and addressed as indicated in the SPECIAL PROVISIONS.

## **22. INSURANCE**

The Consultant shall carry insurance in a sufficient amount to assure the restoration of any plans, drawings, computations, field notes or other similar data relating to the work covered by this Contract in the event of loss or destruction until all data is turned over to the Department.

The Consultant shall submit copies of the insurance policies as well as any applicable certificates to the Department for subsequent filing with the Department Secretary. The Department shall not be obligated to make any payment to the Consultant for services performed under the provisions of this contract before receipt of evidence of insurance coverage.

The Consultant shall also carry Professional Services Liability Insurance for errors and omissions, in an amount stated in the SPECIAL PROVISIONS, if such insurance is applicable to this contract. This insurance shall be obtained by the Consultant and shall remain in force from the date when the Consultant affixes its Registered Professional Engineer's stamp to the Contract documents to the date when all construction work designed under this Contract is completed, unless this Contract is terminated as herein provided, or until it is determined by the Engineer that construction has advanced to the stage where errors in design cannot further affect said construction. This policy shall indemnify and save harmless the Commonwealth, its officers, agents and employees from claims, suits, actions, damages and costs of every name and description resulting from errors and omissions in the work performed by the Consultant after the starting date of and under the terms of this Contract. A certificate showing that it is carrying this insurance shall be submitted to the Department for subsequent filing with the Department Secretary.

No cancellation of such insurance, whether by the insurers or by the insured, shall be valid unless written notice thereof is given by the party proposing cancellation to the other party and to the Department at least twenty (20) days prior to the intended effective date thereof, which date shall be expressed in said notice. Notice of cancellation sent by the party proposing cancellation by certified mail, postage prepaid, with a return receipt of addressee requested, shall be sufficient notice. An affidavit from any officer, agent or employee, duly authorized by the insured, shall be prima facie evidence that the notice was sent.

This section shall apply to the legal representative, trustee in bankruptcy, receiver, assignee, trustee and the successor in interest of such Consultant. The aforesaid insurance shall be taken out and maintained by the Consultant.

Failure to provide and continue in force any insurance as described in this section shall be deemed a material breach of the Contract and shall operate as an immediate termination thereof.

## **23. INDEMNIFICATION OF COMMONWEALTH/CONSULTANT LIABILITY**

The Consultant shall be liable for all damage caused by errors or omissions in its work or in the work of its subcontractors, agents, or employees performed under this agreement. The Consultant expressly agrees that its subcontractors, agents, or employees shall possess the experience, knowledge and character necessary to qualify them individually for the particular duties they perform. Nothing in this Article or in this Agreement shall create or give to third parties any claim or right of action against the Consultant or the Department beyond such as may legally exist irrespective of this Article or Agreement.

## **24. AMENDMENT**

If, during the term of the contract, the Department revises the limits of the project or makes other substantial changes in the scope or character of the work so as to thereby increase the work to be performed by the Consultant, such increased work shall result in an additional fee to be paid to the Consultant in accordance with ARTICLE II, provided that a written agreement concerning such increased work and additional fee has been made by all parties concerned prior to the performance of such increased work. In the event that no such written agreement has been executed prior to the performance of such increased work, the Consultant shall not be entitled to any additional fee. On projects being reimbursed with federal funds, approval of said written agreement by the FHWA or FTA shall be required prior to the performance of such increased work.

## **25. NEGOTIATION SUBSEQUENT TO CONTRACT EXECUTION:** Not applicable

**26. OWNERSHIP OF DATA**

All materials prepared by the Consultant for the purpose of performing the services set forth in this contract shall be owned by the Department. During the performance of the Contract, such material shall be maintained by the Consultant; the Department will have full access to such materials with copies available to the Department upon request.

**27. COPYRIGHT**

The Consultant shall be free to copyright material developed under the contract with the provisions that the Department and the FHWA or FTA reserve a royalty-free, nonexclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use the work for government purposes.



## **ATTACHMENT I STANDARD PROVISIONS**

### **ARTICLE II: COMPENSATION OF CONSULTANT**

#### **1. GENERAL FEE**

The Consultant shall insure that the compensation provisions and the "Contract Cost Principles and Procedures" set forth in the Federal Acquisition Regulation 31 (Technical Reference 48 CFR Chapter 1 Part 31) which document is incorporated herein and made a part hereof by reference are adhered to and are referenced in all contracts with subconsultants and subcontractors.

The Commonwealth hereby agrees to pay and the Consultant agrees to accept as full compensation for all services rendered to the satisfaction of the Department a fee established in accordance with one of the following two payment methods:

**PAYMENT METHOD 1 LUMP SUM:** Not applicable, unless specified in the SPECIAL PROVISIONS.

**PAYMENT METHOD 2 COSTS or COSTS PLUS A NET FEE:** Actual Maximum Payment Amount is specified in the SPECIAL PROVISIONS.

**The Federal Program Description for these funds is Federal Highway funding.**

For all services to be performed under the General Fee, the Consultant shall be paid an amount equal to the sum of the following items a, b, c, and d:

- a) Actual direct salary costs paid professional employees by the Consultant for the time such employees are directly utilized on work necessary to fulfill the provisions of the Contract. Actual direct salary costs shall consist of payroll costs at straight time for professional employees, excluding all principals or administrative officers such as owners, partners, stockholders owning more than one percent of the common stock outstanding, or other major supervisory personnel, for the time such employees are directly utilized on the work covered by this Contract. If it is the usual practice for salaried principals or administrative officers of small firms to perform planning, research or technical work, permission may be granted by the Executive Director to compensate them for the time when they are actually engaged in this work, but only at a rate of pay commensurate with the type of work performed. Permission may also be given by the Executive Director for certain principals or administrative officers of large firms to be paid for professional work performed by them at a rate of pay commensurate with the type of work performed, but only under unusual conditions for specific periods of time. Written approval shall be required from the Executive Director prior to the use of said principals or officers by both large and small firms.

Payment of any said principals or officers for administrative duties at the usual rate of pay for these positions will not be allowed, it being considered that their salaries are included under overhead.

Salary rates and increases thereof paid to professional employees assigned to this project shall be commensurate with salaries paid and increases thereof made to other employees of the Consultant engaged in similar work. Any increases in salary shall be the result of company wide evaluation of all professional employees. Such evaluation shall be in accordance with company wide

personnel regulations and established policies.

The Executive Director shall have the right to exercise the power of review and approval of salaries and increases thereof for a period of thirty days following receipt of the Consultant's written notice of such rates and/or increases. This notice must be submitted prior to the date when such rates become effective.

Unless the Executive Director notifies the Consultant in writing during the thirty-day period that such salary rate or increase thereof is in his opinion, unreasonable, such lack of notice shall constitute approval of the rate or increase from the proposed effective date. All salary changes from those submitted on the previous invoice shall be specifically noted by the Consultant on his next invoice giving the date of the letter requesting such increase. Changes in salary rates made prior to the date of this letter will not be approved for payment. Any such salary increase shall not be considered as justification for an increase in the maximum payment for direct salary costs shown under Maximum Payment Amounts herein before.

No premium payment shall be made for overtime work unless previously approved by the Executive Director.

- b) Applicable indirect costs incurred during the period of this contract, to the extent that such indirect costs are allowable under the "Contract Cost Principles and Procedures" set forth in the Federal Acquisition Regulation 31 (Technical Reference 48 CFR Chapter 1 Part 31) which document is incorporated herein and made a part hereof by reference.

For purposes of partial payments a provisional indirect cost additive rate, expressed as a percent of actual direct salary costs, will be specified in the SPECIAL PROVISIONS.

The amount to be allowed for indirect costs shall be the actual audited amounts of such costs incurred by the Consultant.

- c) A net fee, if applicable, as shown in the SPECIAL PROVISIONS to cover consultant's profit, miscellaneous expenses, and other factors that may be considered under the applicable regulations and that are not paid for otherwise.
- d) Reimbursement for direct expenses to the extent that they are allowable under the provisions of the Federal Acquisition Regulation referred to above and meet the requirements set forth below.

Reimbursable direct expenses shall include, but not be limited to, costs covering work performed by other parties such as borings, laboratory tests, field survey, special electronic computer programming, services of other professionals or specialists, special printing and reproductions and certain telephone and travel expense as further set forth below and normally not included in overhead expense.

The Consultant Shall adhere to the applicable provisions of 48 CFR, Chapter 1, Part 31 and 49 CFR, Part 18.00, particularity Section 18.32, with respect to nonexpendable property. All such nonexpendable property shall become the property of the Department and shall be transferred unto its care and custody at the Department's direction.

Prior written approval shall be obtained by the Consultant from the Executive Director before these direct expenses are incurred. Reimbursable direct expenses are included under the Maximum Payment Amount.

All requests for reimbursement of such direct expenses shall be submitted in writing to the Director, together with estimates of the cost for each type of expense and the reasons for such expenses.

All billing of direct expenses shall be itemized by date, name of person incurring such expenses, location of travel or communication points, and shall include all other data relevant to a verification of the expenses together with a copy of the Executive Director's letter (when required) authorizing such expenditure.

Telephone charges shall not be considered as a direct expense except for toll charges specifically approved by the Executive Director.

When applicable, no direct charges for computer time or computer aided drafting and design costs will be eligible for reimbursement.

Travel Expenses when authorized under the SPECIAL PROVISIONS of this Contract shall be measured from the Massachusetts office of the Consultant, or the residence of the Consultant's employee traveling to a project-related destination point, whichever is the lesser distance, unless otherwise expressly authorized by the Director in writing. No travel expense will be paid unless provided for in the SPECIAL PROVISIONS or as may be previously approved in writing by the Executive Director. Travel shall be made by the least expensive reasonable means. First class air-fare, deluxe accommodations and unreasonable meal costs will not be approved. The use of rented automobiles will be reimbursed only at the same mileage rate as approved for personal or firm-owned vehicles. The cost of meals related to trips made in the course of a normal work-day will not be reimbursed. Travel and certain other necessary expenses for attendance at public meetings and hearings, as designated by the Executive Director, may be reimbursed subject to written approval of the Executive Director.

Since it is agreed that the work under this contract shall be performed in an adequately staffed office of the Consultant located within the Commonwealth of Massachusetts, costs incurred by the Consultant for telephone calls and travel to or from his out-of-state offices, shall not be reimbursed. Travel and subsistence shall not be paid for employees from any out-of-state office to work in Massachusetts except for certain specialists when expressly approved by the Executive Director in writing.

Printing of plans and copying of data as required for reviews and normal submissions shall not be reimbursed as direct expense, notwithstanding the fact that the Consultant may not own printing or copying equipment. Payment for special printing of reports and preparation of matter to distribute at public meetings, hearings and similar occasions may, with the approval of the Executive Director, be reimbursed.

Expenses for administrative personnel performing administrative work will not be reimbursed.

No markup shall be allowed on direct expenses.

All direct costs not reimbursable under this Article, and not allowable upon audit of the Consultant's records as an overhead item, shall be included in the net fee, if applicable, for profit and unallocated costs.

All costs as described in the foregoing paragraphs are to be determined by actual records kept by the Consultant in accordance with the provision of this contract and are subject to final audit by the Massachusetts Department of Transportation and/or the FHWA or FTA. The total partial

payments made shall be adjusted to conform to determinations made in such final audit in accordance with the above provisions of this Article. At their discretion, the Massachusetts Department of Transportation and/or the federal government may undertake interim audits at any time during the term of the Contract.

In no event shall the maximum amount to be paid under this Contract exceed the amount as shown on Page 1 of the STANDARD CONTRACT notwithstanding final audit results, except by agreement of all parties, and with the concurrence of the U.S. Department of Transportation, the Federal Highway Administration/Federal Transit Administration in the case of federal-aid projects.

The maximum amount may be adjusted when the Consultant establishes, and the Department and the FHWA are in agreement, that there has been or is to be a significant change in

- a) the scope, complexity, or character of the services to be performed;
- b) conditions under which the work is required to be performed; and
- c) the duration of work, if the change from the time period specified in the agreement for completion of the work warrants such adjustment.

Upon adjustment of the maximum amount, an appropriate adjustment in the predetermined net fee shall be considered.

## **2. PAYMENT FOR WORK DURING CONSTRUCTION** Not applicable

## **3. ADDITIONAL FEES IN EXCESS OF GENERAL FEE**

If the Consultant performs services for revisions of plans as described in ARTICLE I, Section 15 or other services for which an additional fee is provided, he shall be paid an amount based on one of the following methods:

**PAYMENT METHOD 1 - LUMP SUM:** Not applicable unless specified in the SPECIAL PROVISIONS.

**PAYMENT METHOD 2 - COSTS or COSTS PLUS A NET FEE:** See Article II Section 1.GENERAL FEE.

## **4. PAYMENT FOR TERMINATION OF WORK**

In the event the Department sees fit to notify the Consultant to abandon, limit or defer the work under this Contract, or any part thereof, the Consultant shall be paid for any uncompensated work satisfactorily performed prior to date of said notice in one or more of the following methods, as shall be determined by the Director:

- a) Lump sum amount: Not applicable unless specified in the SPECIAL PROVISIONS.
- b) By costs plus a net fee as stated in ARTICLE II, Section 1, Payment Method 2. Such net fee, if applicable, shall be in proportion to the amount of work performed.

- c) By payment of work completed as applied to costs of each unit of work, if applicable.

If the work to be performed under this Contract is terminated due to bankruptcy proceedings, or for any other cause due to action or inaction by the Consultant, the Consultant shall be paid for any uncompensated work satisfactorily performed prior to said termination as so stated above, minus the percentage of all previous partial payments, if any, which were retained, as part security for fulfillment of this Contract. This amount will be forfeited by the Consultant to the Department to compensate for damages suffered by the Department due to the Consultant's failure to complete the Contract.

## 5. PAYMENTS

Partial payments against the General Fee shall be due and paid monthly upon approval by the Executive Director of the Consultant's invoice for all services performed to the end of the preceding month.

No compensation will be paid for services that are rendered prior to the date of the Notice to Proceed or beyond the duration specified in the contract, as amended.

Partial payments against the General Fee shall be for the value of all services performed as shown on invoices submitted by the Consultant and approved by the Executive Director. Invoices must be accompanied by actual or certified copies of time records of the consultant's employees and receipted bills from other firms for work authorized and performed under the provisions of this Contract. Invoices and all supporting documentation shall be submitted in quintuplicate: an original and four legible copies.

Partial payments shall be based on actual salaries paid monthly as specified under ARTICLE II Section 1. Method 2 paragraph (a); plus costs as specified under paragraph (b); plus the proportionate share of the net fee, if applicable, as specified under paragraph (c), which represents the percentage of work completed to date covered by the monthly invoices; plus reimbursement for authorized direct expenses based on receipted bills as provided under paragraph (d).

The Department reserves the right to defer any partial payments when the ratio of the total salary costs billed (exclusive of direct costs) to the total salary costs as shown in the original proposal is greater than the ratio of the work completed to the total work to be performed under the contract provisions.

Payments on account of additional fees for revisions or for other services as specified in ARTICLE II Section 3 shall be due and payable upon approval by the Executive Director of the Consultant's invoices for such services performed to the end of the preceding month accompanied by actual or certified copies of paid invoices and/or payrolls for the same, if required under the method of payment used.

Payments in reimbursement to the Consultant for direct costs and expenses incurred by him or any of his sub-consultants shall be due and payable upon submission and approval by the Executive Director of the Consultant's invoice accompanied by actual or certified copies of paid invoices and/or payrolls for the same. No premium payments shall be made for overtime work unless previously approved by the Executive Director.

Periodic invoices shall, in addition to current charges, incorporate all previous charges, either paid or unpaid, for services performed under the contract through the date of each such invoice. Periodic invoices shall also segregate and accumulate, for Payments Method 2, total salary costs and indirect cost billed by the Consultant, and subconsultants if applicable, fiscal year end.

All invoices and time records shall contain a statement that the Consultant certifies, under the pains and penalties of perjury, that all work for which payment is requested has been performed and that such performance is in full compliance with the provisions of the Contract.

## **6. RETAINAGE**

The Department reserves the right to retain a percentage of all amounts due for partial payments made against work performed under this Contract, except for amounts due for actual reimbursable direct costs, as part security for the fulfillment of this Contract by the Consultant. If this right is exercised, it shall be further described in the SPECIAL PROVISIONS.

## **7. RECORDKEEPING, AUDIT, AND INSPECTION OF RECORDS**

All costs and expenses as described in the foregoing paragraphs are to be determined by actual records kept by the Contractor in accordance with the provisions of this Contract and are subject to final audit by the Massachusetts Department of Transportation and/or (or its designee) and the FHWA or FTA. The total partial payments made hereunder shall be adjusted to conform to determinations made in such audit(s). Payments as made to the Contractor shall be subject to adjustments on the basis of final audit by the Massachusetts Department of Transportation. At their discretion, the Department and the FHWA or FHWA or FTA may undertake interim audits and make retroactive Interim payment adjustments as a result of such audits at any time during the term of this Contract.

The Contractor is obligated to maintain in an acceptable form books, records, and other compilations of data pertaining to the performance of the provisions and requirements of this Contract to the extent and in such detail as shall properly substantiate claims for payment under this Contract, including complete employee time and payroll records, as well as documents, papers, and other evidence pertaining to billings to the Massachusetts Department of Transportation and/or under this Contract; and shall also maintain records supporting the original cost proposal on this Contract. The Contractor shall make such materials available at its office at reasonable times during the term of this Contract and thereafter for inspection by the various agencies and entities identified in this Section; and copies of such materials shall be furnished upon request of the Massachusetts Department of Transportation or its designee or the FHWA or FTA.

The Contractor shall comply with any programmatic or fiscal reporting requirements identified in this Contract, including format, contents, detail and submission requirements. The Contractor's failure to timely submit required reports may be considered a material breach of this Contract and may subject the Contractor to delayed or reduced payments without penalty to the Massachusetts Department of Transportation.

All such records and reports, noted above, shall be kept for a minimum period of seven (7) years or until the resolution of any litigation, claim, negotiation, audit or other action involving the records which arise at any time during the retention period. All document retention periods shall begin on the first day after final payment under this Contract. If any litigation, claim negotiation, audit or other action involving the records has been started before the expiration of the applicable retention period, all records shall be retained until completion of the action and resolution of all issues resulting there from, or until the end of the applicable retention period whichever is later.

Pursuant to Executive Order No, 195, or as amended, the Massachusetts Department of Transportation, the Governor of the Commonwealth of Massachusetts or his/her designee, the Secretary of Administration and Finance, the State Auditor, or their duly authorized designees, shall have access, at reasonable times and upon reasonable notice to examine the books, records, reports, and other compilation of data of the Contractor noted above which pertain to the performance of the provisions and requirements of this

Contract. Such access shall include on-site audits, review, and photocopying of such records, reports or other data, at a reasonable expense.